



Montana Environmental Trust Group LLC,
Trustee of the Montana Environmental Custodial Trust
By Greenfield Environmental Trust Group, Inc., Member
P.O. Box 1189 Helena, Montana 59624
Telephone: (406)457-2142
Email: jr@g-etg.com

July 3, 2018

By Electronic Mail

For the State of Montana

Jenny Chambers/Russ Rowsey
Montana Department of Environmental Quality

Harley Harris/Greg Mullen/ Katherine Hausrath
Montana Department of Justice

For the United States

Alan Tenenbaum/Bob Brook
Environmental Enforcement Section Environment &
Natural Resources Div. U. S. Department of Justice

Steve Moores
Senior Attorney US EPA Region 8 (ENF-L)

Suzanne Bohan
Assistant Regional Administrator
US EPA Region 8—Montana Office

Dana Jacobsen
Department of the Interior Office of the Solicitor

Amy L. Horner
Department of the Interior Environmental
Restoration Branch Division of Parks and Wildlife
Office of the Solicitor

Martin Hestmark
Assistant Regional Administrator
US EPA Region 8—Montana Office

Robert Kirkpatrick
Deputy Director, Engineering, Fleet, Geospatial
Services & Sustainable Operations USDA Forest
Service

Subject: Fourth Quarter 2017 Financial Statements

As Trustee for the Montana Environmental Custodial Trust (the Custodial Trust), Montana Environmental Trust Group LLC, hereby submits the attached financial statements for the following Custodial Trust Accounts to the beneficiaries of the Custodial Trust:

- (1) The Custodial Trust Administrative Account;
- (2) The East Helena Cleanup Account;
- (3) The Mike Horse/Upper Blackfoot Mining Complex Cleanup Account;
- (4) The Black Pine Cleanup Account; and
- (5) The Iron Mountain Cleanup Account

The attached financial statements cover the quarter and year ending December 31, 2017 and are submitted pursuant to the Custodial Trust's obligations under ¶6.1 of the Environmental Custodial Trust Agreement (Attachment D to the Consent Decree and Settlement Agreement Regarding the Montana Sites).

In addition, as this is the final report for 2017, year-end summaries are provided for the following:

- (1) The East Helena Natural Resources Damage Account
- (2) The Black Pine Natural Resources Damage Account
- (3) The Iron Mountain Natural Resources Damage Account

Please do not hesitate to contact me or Cindy Brooks with any questions pertaining to the attached.

Sincerely,

Montana Environmental Trust Group, LLC
Trustee of the Montana Environmental Custodial Trust
By: Greenfield Environmental Trust Group, Inc., Member



Name: Jennifer Roberts
Title: Financial Affairs Manager

Enclosure

cc: Betsy Burns—EPA-8
Cynthia Brooks—Greenfield
Daryl Reed - MDEQ
Denise Martin - MDEQ
Justin Mosness—Wipfli
Joe Vranka—EPA-8
Joel Chavez - MDEQ
Lauri Gorton—Greenfield
Marc Weinreich—Greenfield
Melody McDonough - Greenfield
Nathan McCarthy— Wipfli
Robert Roll - MDEQ



Wipfli LLP
P.O. Box 1699
Helena, MT 59624
910 North Last Chance Gulch
Helena, MT 59601
406.442.5520
fax 406.443.1017
www.wipfli.com

Accountant's Compilation Report

To the Trustees and Beneficiaries
Montana Environmental Trust Group LLC
Trustee for the Montana Environmental Custodial Trust
Helena, MT

The Trustees are responsible for the accompanying special purpose financial statements of; the Custodial Trust Administrative Account, the East Helena Cleanup Account, the Mike Horse/Upper Blackfoot Complex Cleanup Account, the Black Pine Cleanup Account, the Iron Mountain Cleanup Account, the East Helena Natural Resources Damage Account, The Black Pine Natural Resources Damage Account, and the Iron Mountain Natural Resources Damage Account (collectively the Custodial Trust), which comprise the statement of financial position as of December 31, 2017 and the related statements of activities for the quarter and year then ending and for determining that the special purpose basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the trustees. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the special purpose basis of accounting in accordance with the requirements of the Trust's obligations under ¶6.1 of the Environmental Response Trust Agreement, which is a basis of accounting other than accounting principles generally accepted in the United States.

Management has elected to omit substantially all the disclosures ordinarily included in special purpose financial statements prepared in accordance with the prescribed format basis of accounting. If the omitted disclosures were included in the special purpose financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, net assets, additions, and deductions. Accordingly, the special purpose financial statements are not designed for those who are not informed about such matters.

Supplementary Information

The Black Pine Mine Custodial Trust Expense Tracking supplementary information is presented for purposes of additional analysis and is not a required part of the special purpose financial statements. This information is the representation of the trustees. The information was subject to our compilation engagements; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Montana Environmental Trust Group LLC.

Wipfli LLP

Wipfli LLP
June 26, 2018
Helena, MT

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS

Current assets

Cash	\$ 92,815.03
Due from other cost centers	8,690.20
Total current assets	<u>101,505.23</u>

Investments

5,756,745.39

Total assets

\$ 5,858,250.62

LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 57,267.73
Due to other cost centers	-
	<u>57,267.73</u>

Net assets

5,800,982.89

Total net assets and liabilities

\$ 5,858,250.62

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
Revenues:					
Investment income, net of fees	\$ 22,311.85	\$ 87,976.27			
Unrealized gains (losses)	(28,925.22)	(23,413.50)			
Total revenues (losses)	(6,613.37)	64,562.77			
Expenses:					
1.A Financial Affairs					
1.A.1 Outside Financial Services	6,077.83	31,675.36	\$ 33,000.00	\$ (1,324.64)	95.99%
1.A.2 Audit	32,537.00	39,138.00	144,090.00	(104,952.00)	27.16%
1.A Financial Affairs Total	38,614.83	70,813.36	177,090.00	(106,276.64)	39.99%
1.C Property Taxes					
1.C.1 East Helena	15,929.67	59,849.31	124,800.00	(64,950.69)	47.96%
1.C.2 UBMC-Mike Horse	2,505.84	4,300.00	4,300.00	-	100.00%
1.C.3 Black Pine	1,246.46	2,813.86	7,300.00	(4,486.14)	38.55%
1.C.4 Iron Mountain	146.15	278.08	400.00	(121.92)	69.52%
1.C Property Taxes Total	19,828.12	67,241.25	136,800.00	(69,558.75)	49.15%
1.F Site Security					
1.F.1 East Helena	5,643.00	29,045.62	50,900.00	(21,854.38)	57.06%
1.F.2 UBMC-Mike Horse	580.00	3,048.62	9,400.00	(6,351.38)	32.43%
1.F.3 Black Pine	5,160.54	19,739.72	20,900.00	(1,160.28)	94.45%
1.F.4 Iron Mountain	-	-	1,400.00	(1,400.00)	0.00%
1.F Site Security Total	11,383.54	51,833.96	82,600.00	(30,766.04)	62.75%
1.G Insurance					
1.G.1 Commercial General Liability	-	46,237.50	52,000.00	(5,762.50)	88.92%
1.G.2 Vehicle-Equipment Insurance	(224.00)	6,957.00	11,900.00	(4,943.00)	58.46%
1.G.3 Property Insurance	-	16,385.62	19,400.00	(3,014.38)	84.46%
1.G Insurance Total	(224.00)	69,580.12	83,300.00	(13,719.88)	83.53%

Montana Environmental Custodial Trust
Custodial Trust Administrative Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
1.H Trust Legal Affairs					
1.H.1 Outside Council	-	507.00	3,500.00	(2,993.00)	14.49%
1.H.3 GETG Professional Fees	4,575.00	15,446.00	15,500.00	(54.00)	99.65%
1.H.4 Water Rights	1,880.00	7,600.00	10,400.00	(2,800.00)	73.08%
1.H Trust Legal Affairs Total	6,455.00	23,553.00	29,400.00	(5,847.00)	80.11%
1.I Unpatented Mining Claims					
1.I.1 Fees for Unpatented Mining Claims	-	52,445.61	54,700.00	(2,254.39)	95.88%
1.I.2 Disposition of Unpatented Mining Claims	-	4,787.00	16,920.00	(12,133.00)	28.29%
1.I Unpatented Mining Claims Total	-	57,232.61	71,620.00	(14,387.39)	79.91%
1.K Property Sales					
1.K.1 East Helena	22,938.41	97,880.66	97,950.00	(69.34)	99.93%
1.K.2 UBMC-Mike Horse	-	470.00	1,700.00	(1,230.00)	27.65%
1.K.4 Iron Mountain	-	-	1,700.00	(1,700.00)	0.00%
1.K Property Sales Total	22,938.41	98,350.66	101,350.00	(2,999.34)	97.04%
1.L Trustee Costs					
1.L.1 Trustee Fees	6,220.00	26,672.50	26,700.00	(27.50)	99.90%
1.L.2 Trustee Expenses	410.02	460.02	1,500.00	(1,039.98)	30.67%
1.L Trustee Costs Total	6,630.02	27,132.52	28,200.00	(1,067.48)	96.21%
Total expenses	105,625.92	465,737.48	710,360.00	\$ (244,622.52)	65.56%
Change in net assets	(112,239.29)	(401,174.71)	\$ (710,360.00)		
Net assets, beginning of period	5,913,222.18	6,202,157.60			
Net assets, end of period	\$ 5,800,982.89	\$ 5,800,982.89			

Montana Environmental Custodial Trust

East Helena Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS

Current assets

Cash	\$ 609,798.58
Accounts receivable	-
Due from other cost centers	-
Total current assets	<u>609,798.58</u>

Investments

Total assets	<u>50,137,008.06</u> <u>\$ 50,746,806.64</u>
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 442,224.04
Retention hold-back payable	497,204.07
Due to other cost centers	33.00
Total current liabilities	<u>939,461.11</u>

Net assets

Total net assets and liabilities	<u>49,807,345.53</u> <u>\$ 50,746,806.64</u>
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Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget*	Variance	Percentage of Budget
Revenues:					
Income					
Agricultural Tenants	\$ 3,807.00	\$ 3,807.00			
Sale of Assets	-	-			
Slag Pile	-	131,917.00			
Income Total	3,807.00	135,724.00			
Investment activity, net of fees	667,913.07	1,497,796.40			
Unrealized gains (losses)	(360,761.49)	44,388.79			
Total revenues (losses)	310,958.58	1,677,909.19			
Expenses:					
2.B · General Site Operations					
2.B.1 · Operations & Maintenance	7,020.52	27,832.13	\$ 59,500.00	\$ (31,667.87)	46.78%
2.B.2 · Office Operations	-	1,234.64	5,000.00	(3,765.36)	24.69%
2.B.3 · Safety	279.00	4,248.16	14,100.00	(9,851.84)	30.13%
2.B.6 · Emergency Response	-	-	20,000.00	(20,000.00)	0.00%
2.B.7 · Site Office	825.00	8,316.47	9,500.00	(1,183.53)	87.54%
Total 2.B · General Site Operations	8,124.52	41,631.40	108,100.00	(66,468.60)	38.51%
2.C · Waste Disposal					
2.C.3 · Other	-	-	6,300.00	(6,300.00)	0.00%
Total 2.C · Waste Disposal	-	-	6,300.00	(6,300.00)	0.00%
2.D · Slag Pile Reprocessing	-	-	11,800.00	(11,800.00)	0.00%
2.E · Tenants					
2.E.4 · Other	-	-	5,700.00	(5,700.00)	0.00%
Total 2.E · Tenants	-	-	5,700.00	(5,700.00)	0.00%
2.F · RCRA Compliance					
2.F.1 · Reporting	-	-	2,000.00	(2,000.00)	0.00%
2.F.2 · Inspections	-	-	2,000.00	(2,000.00)	0.00%
2.F.5 · CAMU O&M/Leachate Collection and Disposal	2,231.94	21,087.96	208,300.00	(187,212.04)	10.12%
2.F.7 · CAMU Leachate Design and Construction	256.50	6,692.11	354,000.00	(347,307.89)	1.89%
Total 2.F · RCRA Compliance	2,488.44	27,780.07	566,300.00	(538,519.93)	4.91%
2.I · Risk Assessment					
2.I.1 · HHRA	7,181.22	8,149.44	25,000.00	(16,850.56)	32.60%
2.I.2 · BERA	2,073.10	3,012.16	25,000.00	(21,987.84)	12.05%
Total 2.I · Risk Assessment	9,254.32	11,161.60	50,000.00	(38,838.40)	22.32%

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget*	Variance	Percentage of Budget
2.J · RCRA Corrective Action Implementation					
2.J.1 · South Plant Hydraulic Control IM					
2.J.1a · SPHC IM Design	-	-	289,000.00	(289,000.00)	0.00%
2.J.1b · SPHC IM Construction	28,905.97	550,885.79	603,500.00	(52,614.21)	91.28%
2.J.1 · SPHC IM Design & Construction	28,905.97	550,885.79	892,500.00	(341,614.21)	61.72%
2.J.2 · ET Cover System IM					
2.J.2a · ET Cover IM Design	-	-	16,500.00	(16,500.00)	0.00%
2.J.2b · ET Cover IM Construction	-	6,700.81	16,000.00	(9,299.19)	41.88%
2.J.2 · ET Cover IM Design & Construction	-	6,700.81	32,500.00	(25,799.19)	20.62%
2.J.4 · IM/RCRA Support					
2.J.4b · Corrective Measures Study	31,909.63	120,677.87	130,900.00	(10,222.13)	92.19%
2.J.4 · IM/RCRA Support	31,909.63	120,677.87	130,900.00	(10,222.13)	92.19%
2.J.6 · Corrective Measure Implementation					
2.J.6a · CMI Work Plan	-	-	150,000.00	(150,000.00)	0.00%
2.J.6b · Final Remedy Construction/Implementation	-	-	-	-	0.00%
2.J.6c · Corrective Measures O&M	13,927.78	74,012.36	550,500.00	(476,487.64)	13.44%
2.J.6d · 2017 CAMP/Performance Monitoring	98,726.91	260,607.19	415,300.00	(154,692.81)	62.75%
2.J.6e · Long term Technical Planning/Support	24,127.36	35,825.03	50,000.00	(14,174.97)	71.65%
2.J.6f · Residential Well Abandonment	-	-	176,000.00	(176,000.00)	0.00%
2.J.6 · Design Management/Execution	136,782.05	370,444.58	1,341,800.00	(971,355.42)	27.61%
Total 2.J · RCRA Corrective Action Implementation	197,597.65	1,048,709.05	2,397,700.00	(1,348,990.95)	43.74%
2.K · Documents & Records					
2.K.1 · System Set-Up	-	-	21,300.00	(21,300.00)	0.00%
2.K.2 · System Maintenance	50.00	8,266.90	18,000.00	(9,733.10)	45.93%
Total 2.K · Documents & Records	50.00	8,266.90	39,300.00	(31,033.10)	21.04%
2.M · CERCLA Compliance	2,145.00	8,420.12	34,400.00	(25,979.88)	24.48%
2.N · Financial Affairs					
2.N.1 · Financial Affairs-CPA	9,439.21	29,989.39	30,000.00	(10.61)	99.96%
Total 2.N · Financial Affairs	9,439.21	29,989.39	30,000.00	(10.61)	99.96%

Montana Environmental Custodial Trust
East Helena Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget*	Variance	Percentage of Budget
2.O · Redevelopment					
2.O.2 · Redevelopment Support	-	2,508.00	10,000.00	(7,492.00)	25.08%
2.O.3 · Redevelopment Issues	-	-	5,000.00	(5,000.00)	0.00%
Total 2.O · Redevelopment	-	2,508.00	15,000.00	(12,492.00)	16.72%
2.P · Community Relations					
2.P.1 · General Meetings	-	-	3,000.00	(3,000.00)	0.00%
2.P.2 · RCRA Annual Public Meeting	-	-	3,000.00	(3,000.00)	0.00%
2.P.3 · East Helena Website	-	-	7,500.00	(7,500.00)	0.00%
2.P.5 · Other Community Relations	5,575.00	10,550.00	25,000.00	(14,450.00)	42.20%
Total 2.P · Community Relations	5,575.00	10,550.00	38,500.00	(27,950.00)	27.40%
2.R · Legal Support					
2.R.1 · Outside Counsel Fees & Expenses	-	665.00	15,000.00	(14,335.00)	4.43%
2.R.2 · In-House Legal Services	1,062.00	21,923.43	41,200.00	(19,276.57)	53.21%
Total 2.R · Legal Support Total	1,062.00	22,588.43	56,200.00	(33,611.57)	40.19%
2.T · Trustee Management & Support					
2.T.4 · GW and PPC Project Management	6,640.00	44,799.61	56,000.00	(11,200.39)	80.00%
2.T.6 · Compliance Manager	199.50	11,970.00	13,700.00	(1,730.00)	87.37%
2.T.7 · Operations Manager	2,054.00	12,383.25	41,100.00	(28,716.75)	30.13%
2.T.8 · Operations Support Specialist	2,390.00	5,485.00	27,000.00	(21,515.00)	20.31%
2.T.9 · Project Controls/Fin Affairs Coordinator	12,432.00	38,369.00	115,400.00	(77,031.00)	33.25%
2.T.11 · Trustee Mgmt. EH Clean Up	32,130.75	104,726.50	218,000.00	(113,273.50)	48.04%
2.T.12 · Trustee Land Use & Re-use	11,387.00	31,919.00	29,500.00	2,419.00	108.20%
2.T.13 · Trustee Travel and Directs	-	3,697.97	12,000.00	(8,302.03)	30.82%
Total 2.T · Trustee Management & Support Total	67,233.25	253,350.33	512,700.00	(259,349.67)	49.41%
Total East Helena expenses	302,969.39	1,464,955.29	\$ 3,872,000.00	\$ (2,407,044.71)	37.83%
Change in net assets	7,989.19	212,953.90			
Net assets, beginning of period	49,799,356.34	49,594,391.63 ⁽¹⁾			
Net assets, end of period	\$ 49,807,345.53	\$ 49,807,345.53			

(1) 12/31/2016 net assets restated by \$17,915.27 for expenses incurred in 2016 but not received and recorded until after distribution of 2016 financial statements.

Montana Environmental Custodial Trust
Summary East Helena Clean-up Account

SUMMARY STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
Revenues:					
Rental/Lease Income	\$ 3,807.00	\$ 135,724.00			
Investment activity, net of fees	667,913.07	1,497,796.40			
Unrealized gains (losses)	(360,761.49)	44,388.79			
Total revenues (losses)	310,958.58	1,677,909.19			
Expenses:					
2.B · General Site Operations	8,124.52	41,631.40	108,100.00	(66,468.60)	38.51%
2.C · Waste Disposal	-	-	6,300.00	(6,300.00)	0.00%
2.D · Slag Pile Reprocessing	-	-	11,800.00	(11,800.00)	0.00%
2.E · Tenants	-	-	5,700.00	(5,700.00)	0.00%
2.F · RCRA Compliance	2,488.44	27,780.07	566,300.00	(538,519.93)	4.91%
2.I · Risk Assessment	9,254.32	11,161.60	50,000.00	(38,838.40)	22.32%
2.J · RCRA Corrective Action Implementation	197,597.65	1,048,709.05	2,397,700.00	(1,348,990.95)	43.74%
2.K · Documents & Records	50.00	8,266.90	39,300.00	(31,033.10)	21.04%
2.M · CERCLA Compliance	2,145.00	8,420.12	34,400.00	(25,979.88)	24.48%
2.N · Financial Affairs	9,439.21	29,989.39	30,000.00	(10.61)	99.96%
2.O · Redevelopment	-	2,508.00	15,000.00	(12,492.00)	16.72%
2.P · Community Relations	5,575.00	10,550.00	38,500.00	(27,950.00)	27.40%
2.R · Legal Support	1,062.00	22,588.43	56,200.00	(33,611.57)	40.19%
2.T · Trustee Management & Staff	67,233.25	253,350.33	512,700.00	(259,349.67)	49.41%
Total East Helena expenses	302,969.39	1,464,955.29	\$ 3,872,000.00	\$ (2,407,044.71)	37.83%
Change in net assets	7,989.19	212,953.90			
Net assets, beginning of period	49,799,356.34	49,594,391.63 ⁽¹⁾			
Net assets, end of period	\$ 49,807,345.53	\$ 49,807,345.53			

(1) 12/31/2016 net assets restated by \$17,915.27 for expenses incurred in 2016 but not received and recorded until after distribution of 2016 financial statements.

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS

Current assets

Cash	\$ 118,012.41
Prepaid expenses - DEQ	8,154.67
Due from other cost centers	-
Total current assets	<u>126,167.08</u>

Investments

Total assets	<u>4,337,576.52</u> <u><u>\$ 4,463,743.60</u></u>
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable	\$ 20,281.48
Due to other cost centers	8,341.60
Total current liabilities	<u>28,623.08</u>

Net assets

Total net assets and liabilities	<u>4,435,120.52</u> <u><u>\$ 4,463,743.60</u></u>
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Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest income - DEQ	\$ 39.97	\$ 204.80			
Investment income, net of fees	14,950.90	60,744.61			
Unrealized gains (losses)	(18,791.12)	(3,559.54)			
Total revenues (losses)	(3,800.25)	57,389.87			
Expenses:					
4.1 MT DEQ Expenses					
4.A Personnel (MT DEQ)	4,975.87	15,185.04	\$ 24,605.00	\$ (9,419.96)	61.72%
4.DEQ Direct & Indirect Expenses	1,266.05	3,664.74	6,153.00	(2,488.26)	59.56%
4.1 Total MT DEQ Expenses	6,241.92	18,849.78	30,758.00	(11,908.22)	61.28%
4.2 Other Expenses					
4.B Material, Supplies & Chemicals					
1-62244 Chemicals	29,408.44	74,366.11	74,500.00	(133.89)	99.82%
WTP Supplies	8,055.36	39,022.42	46,100.00	(7,077.58)	84.65%
4.B Material, Supplies & Chemicals	37,463.80	113,388.53	120,600.00	(7,211.47)	94.02%
4.C Operating Labor					
1-62102-01 WTS/Trust Management and Oversight	7,485.25	72,482.50	72,500.00	(17.50)	99.98%
1-62102-02 GETG Trustee Oversight	5,126.00	15,864.00	17,000.00	(1,136.00)	93.32%
1-62102-22 WTP Technician/Operator	14,817.50	75,745.16	115,000.00	(39,254.84)	65.87%
4.C Operating Labor	27,428.75	164,091.66	204,500.00	(40,408.34)	80.24%
4.D Other Professional Services/Labor (Routine)					
1-62102-31 PLC & Instrumentation Service (MET)	8,866.00	28,232.32	28,250.00	(17.68)	99.94%
1-62891 Handyman Charges	3,971.30	5,053.55	7,500.00	(2,446.45)	67.38%
1-62102-51 Accounting Services (Wipfli)	1,041.39	4,999.57	5,000.00	(0.43)	99.99%
1-62243 Weed Control	-	-	1,200.00	(1,200.00)	0.00%
4.D Other Professional Services/Labor	13,878.69	38,285.44	41,950.00	(3,664.56)	91.26%
4.E WTP Operations - Analytical (Routine)					
1-62106-01 Energy Lab Testing (O&M Samples)	5,040.75	14,404.75	11,000.00	3,404.75	130.95%
1-62106-02 Linda Tangen Data Validation (O&M)	1,866.11	3,642.81	3,500.00	142.81	104.08%
1-62106-04 Energy Lab Testing (Pilot Test/Cell 7)	-	-	3,600.00	(3,600.00)	0.00%
4.E WTP Operations - Analytical	6,906.86	18,047.56	18,100.00	(52.44)	99.71%

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
4.F WTP Operations - Utilities (Routine)					
1-62186 Waste Disposal	4,774.96	7,606.96	10,900.00	(3,293.04)	69.79%
1-62371 Telephone	780.59	3,803.49	6,200.00	(2,396.51)	61.35%
1-62601 Electricity	12,624.28	54,507.88	62,200.00	(7,692.12)	87.63%
1-62605 Water & Sewage	200.00	600.00	2,500.00	(1,900.00)	24.00%
1-62606 Garbage & Trash	430.30	1,556.20	1,800.00	(243.80)	86.46%
1-62607 Propane	19,273.90	19,352.06	16,300.00	3,052.06	118.72%
4.F WTP Operations - Utilities	38,084.03	87,426.59	99,900.00	(12,473.41)	87.51%
4.H Projects & Construction					
1-62102-01 · Unforeseen Breakdowns and Repair Response Funds	-	18,251.21	20,000.00	(1,748.79)	91.26%
1-62102-52 · UBMC Cell 7 Feasibility Study - Drake Water Technologies	1,347.00	18,387.00	30,000.00	(11,613.00)	61.29%
1-62102-204 Health & Safety Compliance	-	168.30	2,000.00	(1,831.70)	8.42%
1-63113-03 Spare Parts	-	24,043.04	25,000.00	(956.96)	96.17%
1-63113-21 Purchase replacement 316 stainless steel Goulds CMF Pump	-	36,878.18	40,000.00	(3,121.82)	92.20%
1-63113-37 Upper Seep Expansion	6,988.00	6,988.00	49,500.00	(42,512.00)	14.12%
1-63113-39 Cell 4 and Cell A Removal Activities to Support MDEQ	-	-	-	-	0.00%
1-63113-40 Remediation Prep Tasks	-	10,171.49	12,400.00	(2,228.51)	82.03%
1-63113-41 Trust Support for Remediation Activities	2,064.56	6,847.31	9,500.00	(2,652.69)	72.08%
1-62102-233 · Building Repairs (Corrosion Damage)	-	-	-	-	0.00%
1-63113-304 - Mike Horse Remediation Coordination (WTS)	19.75	2,231.75	4,740.00	(2,508.25)	47.08%
1-63113-46 - Install PLC Remote I/O and Ether Net Cable in Reagent	-	14,977.00	15,000.00	(23.00)	99.85%
1-63113-48 - Fabricate & install sheet metal enclosures on Cell 7 exposed	-	-	3,200.00	(3,200.00)	0.00%
1-63113-49 - Purchase replacement snow plow for 924 loader	219.65	19,599.65	20,000.00	(400.35)	98.00%
1-63113-50 - Install wildlife fence around perimeter of Cell 7	-	-	-	-	0.00%
1-62102-50 · Advertise, Interview & Train Part-time WTP Operator	-	-	-	-	0.00%
1-63113-51 - Purchase larger high pressure washer (20Hp) and jetting	-	-	5,360.00	(5,360.00)	0.00%
1-63113-52 - Modify sludge bin with hinged cover	-	7,493.23	7,500.00	(6.77)	99.91%
1-63113-53 - Reconfigure 300' vault piping for conveyance line cleaning with "pigs" & install 3" flow meter on redundant line and contractor for conveyance line pigging**	-	-	-	-	0.00%
1-63113-54 - Install Equipment and Programming for WTP Emergency Shutdown	-	-	-	-	0.00%
1-63113-55 - Purchase and Install Propeller Mixer on Sodium Feed Tank	1,046.75	4,381.42	4,600.00	(218.58)	95.25%

Montana Environmental Custodial Trust
Mike Horse/UBMC Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
1-63113-56 - Install Equipment and Programming for WTP Seasonal Shutdown	-	-	-	-	0.00%
4.H Projects & Construction	11,685.71	170,417.58	248,800.00	(78,382.42)	68.50%
4.2 Total Other Expenses	135,447.84	591,657.36	733,850.00	(142,192.64)	80.62%
Total expenses	141,689.76	610,507.14	764,608.00	(154,100.86)	79.85%
Change in net assets	(145,490.01)	(553,117.27)	<u>\$ (764,608.00)</u>	<u>\$ 154,100.86</u>	<u>72.34%</u>
Net assets, beginning of period	4,580,610.53	4,988,237.79			
Net assets, end of period	<u>\$ 4,435,120.52</u>	<u>\$ 4,435,120.52</u>			

Montana Environmental Custodial Trust

Black Pine Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS	
Current assets	
Cash	\$ 17,845.24
Money Market	36,055.55
Prepaid expenses - DEQ	263,361.66
Total current assets	<u>317,262.45</u>
Investments	<u>11,767,587.27</u>
Total assets	<u><u>\$ 12,084,849.72</u></u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 1,740.03
Due to other cost centers	-
Total current liabilities	<u>1,740.03</u>
Net assets	<u>12,083,109.69</u>
Total net assets and liabilities	<u><u>\$ 12,084,849.72</u></u>

Montana Environmental Custodial Trust
Black Pine Clean-up Account
STATEMENTS OF ACTIVITIES
For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ 2,746.75	\$ 14,582.89			
Interest Income - MM	26.96	176.82			
Investment income, net of fees	46,660.29	187,220.19			
Unrealized gains (losses)	(65,024.30)	(28,293.70)			
Total revenues (losses)	(15,590.30)	173,686.20			
Expenses:					
5.1 Costs Paid Directly by Trustee from Clean-up Account					
2-2-01 Trustee Services/Expenses-Cox	19.75	59.25	\$ 1,000.00	\$ (940.75)	5.93%
2-2-02 Trustee Services/Expenses-GETG	148.00	828.00	5,000.00	(4,172.00)	16.56%
2-2-03 Mine Maintenance/Security	4,557.00	16,926.00	16,926.00	-	100.00%
2-2-04 Generator Maintenance	-	-	4,000.00	(4,000.00)	0.00%
2-2-51 Accounting Services	413.25	1,382.22	5,000.00	(3,617.78)	27.64%
2-62401 Mileage	566.03	2,101.22	2,266.65	(165.43)	92.70%
2-62405 Snowmobile	37.50	712.52	907.50	(194.98)	78.51%
5.1.1 Utilities					
2-62601 Electricity	1,818.92	6,466.00	6,500.00	(34.00)	99.48%
2-62607 Propane	-	-	2,840.00	(2,840.00)	0.00%
5.1.1 Utilities Total	1,818.92	6,466.00	9,340.00	(2,874.00)	69.23%
5.1 Trustee Costs Total	7,560.45	28,475.21	44,440.15	(15,964.94)	64.08%
5.2 DEQ Costs	765,441.95	1,265,549.78 (1)	3,373,296.82	(2,107,747.04)	37.52%
Total expenses	773,002.40	1,294,024.99	3,417,736.97	(2,123,711.98)	37.86%
Change in net assets	(788,592.70)	(1,120,338.79)	\$ (3,417,736.97)	\$ 2,123,711.98	32.78%
Net assets, beginning of period	12,871,702.39	13,203,448.48 (2)			
Net assets, end of period	\$ 12,083,109.69	\$ 12,083,109.69			

(1) See the supplemental schedule provided by the Montana Department of Environmental Quality for details of 5.2 DEQ Costs

(2) Beginning of period net assets restated by \$268.75 for credit from previous year activity received

Black Pine Mine Custodial Trust Expense Tracking

	Personnel	Fringe	Travel	Equipment	Supplies	Consultants	Construction	Other	Total Direct	Indirect	Totals
Budget Request 2017	\$ 63,327.00	\$ 22,145.00	\$ 13,854.00	\$ 2,500.00	\$ -	\$ 487,613.00	\$ 2,735,221.00	\$ 8,425.00	\$ 3,333,085.00	\$ 40,212.00	\$ 3,373,297.00
Jan-Mar 2017	\$ 14,239.67	\$ 5,105.74	\$ 325.93	\$ -	\$ -	\$ 37,059.03	\$ -	\$ 626.69	\$ 57,357.06	\$ 8,090.30	\$ 65,447.36
Apr-Jun 2017	\$ 17,358.99	\$ 6,288.25	\$ 203.16	\$ -	\$ 22.98	\$ 44,443.81	\$ -	\$ 705.39	\$ 69,022.58	\$ 6,128.91	\$ 75,151.49
July-Sep 2017	\$ 11,620.21	\$ 4,344.21	\$ -	\$ -	\$ -	\$ 14,367.83	\$ 314,589.11	\$ 513.48	\$ 345,434.84	\$ 14,074.14	\$ 359,508.98
Oct-Dec 2017	\$ 8,792.49	\$ 3,464.80	\$ -	\$ -	\$ -	\$ 132,506.45	\$ 608,422.47	\$ 619.78	\$ 753,805.99	\$ 11,635.96	\$ 765,441.95
Expenses 2017	\$ 52,011.36	\$ 19,203.00	\$ 529.09	\$ -	\$ 22.98	\$ 228,377.12	\$ 923,011.58	\$ 2,465.34	\$ 1,225,620.47	\$ 39,929.31	\$ 1,265,549.78
2017 Budget request balance remaining	\$ 11,315.64	\$ 2,942.00	\$ 13,324.91	\$ 2,500.00	\$ (22.98)	\$ 259,235.88	\$ 1,812,209.42	\$ 5,959.66	\$ 2,107,464.53	\$ 282.69	\$ 2,107,747.22

Montana Environmental Custodial Trust
Iron Mountain Clean-up Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS	
Current assets	
Cash	\$ 1,798.52
Prepaid expenses - DEQ	22.16
Total current assets	<u>1,820.68</u>
Investments	<u>262,558.44</u>
Total assets	<u><u>\$ 264,379.12</u></u>
LIABILITIES AND NET ASSETS	
Liabilities	
Accounts payable	\$ 155.00
Net assets	<u>264,224.12</u>
Total net assets and liabilities	<u><u>\$ 264,379.12</u></u>

Montana Environmental Custodial Trust
Iron Mountain Clean-up Account

STATEMENTS OF ACTIVITIES

For the quarter and year ending December 31, 2017

	4th Qtr	Year Ending 12/31/17	Approved Budget	Variance	Percentage of Budget
Revenues:					
Interest Income - DEQ	\$ 276.55	\$ 7,760.85			
Investment income, net of fees	753.90	2,476.66			
Unrealized gains (losses)	(70.50)	(484.00)			
Total revenues (losses)	959.95	9,753.51			
Expenses:					
VI.A Clean-up Activities					
VI.A.1 GETG Trustee Fees	37.00	524.00	\$ 7,602.00	\$ (7,078.00)	6.89%
VI.A.2 GETG/Trustee Expenses	-	-	250.00	(250.00)	0.00%
VI.A Total Clean-up Activities	37.00	524.00	7,852.00	(7,328.00)	6.67%
VI.C Legal Affairs					
VI.C.1 Outside Counsel	-	-	2,000.00	(2,000.00)	0.00%
VI.C Total Legal Affairs	-	-	2,000.00	(2,000.00)	0.00%
VI.D Financial Affairs					
VI.D.1 Wipfli Fees & Expenses	18.00	36.00	1,800.00	(1,764.00)	2.00%
VI.D Total Financial Affairs	18.00	36.00	1,800.00	(1,764.00)	2.00%
VI.E MDEQ Environmental Actions and Oversight Costs					
VI.E.1 MDEQ Environmental Actions and Oversight Costs	120,347.64	1,415,664.00	1,407,925.31	7,738.69	100.55%
VI.E Total MDEQ Environmental Actions and Oversight Costs	120,347.64	1,415,664.00	1,407,925.31	7,738.69	100.55%
Total expenses	120,402.64	1,416,224.00	1,419,577.31	(3,353.31)	99.76%
Change in net assets	(119,442.69)	(1,406,470.49)	<u>\$ (1,419,577.31)</u>	<u>\$ 3,353.31</u>	<u>99.08%</u>
Net assets, beginning of period	383,666.81	1,670,694.61			
Net assets, end of period	<u>\$ 264,224.12</u>	<u>\$ 264,224.12</u>			

Montana Environmental Custodial Trust

East Helena NRD Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS	
Current assets	
Cash	\$ -
Total current assets	-
Investments	691,720.74
Total assets	<u>\$ 691,720.74</u>
LIABILITIES AND NET ASSETS	
Liabilities	\$ -
Net assets	691,720.74
Total net assets and liabilities	<u>\$ 691,720.74</u>

STATEMENT OF ACTIVITIES

For the year ending December 31, 2017

Revenues:	
Investment income	\$ 4,883.23
Total revenues	4,883.23
Expenses:	
Total expenses	-
Change in net assets	4,883.23
Net assets, beginning of period	686,837.51
Net assets, end of period	<u>\$ 691,720.74</u>

Montana Environmental Custodial Trust
Black Pine NRD Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS	
Current assets	
Cash	\$ -
Total current assets	-
Investments	56,881.43
Total assets	<u>\$ 56,881.43</u>
LIABILITIES AND NET ASSETS	
Liabilities	\$ -
Net assets	56,881.43
Total net assets and liabilities	<u>\$ 56,881.43</u>

STATEMENT OF ACTIVITIES

For the year ending December 31, 2017

Revenues:	
Investment income	\$ 401.55
Total revenues	401.55
Expenses:	
Total expenses	-
Change in net assets	401.55
Net assets, beginning of period	56,479.88
Net assets, end of period	<u>\$ 56,881.43</u>

Montana Environmental Custodial Trust

Iron Mountain NRD Account

STATEMENT OF FINANCIAL POSITION

As of December 31, 2017

ASSETS	
Current assets	
Cash	\$ -
Total current assets	-
Investments	31,529.51
Total assets	<u>\$ 31,529.51</u>
LIABILITIES AND NET ASSETS	
Liabilities	\$ -
Net assets	31,529.51
Total net assets and liabilities	<u>\$ 31,529.51</u>

STATEMENT OF ACTIVITIES

For the year ending December 31, 2017

Revenues:	
Investment income	\$ 260.93
Total revenues	260.93
Expenses:	
Total expenses	-
Change in net assets	260.93
Net assets, beginning of period	31,268.58
Net assets, end of period	<u>\$ 31,529.51</u>